




HelpAge Asia-Pacific Regional Conference 2016

The Economic Implications of Ageing



Conference proceedings





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HelpAge Asia-Pacific Regional Conference 2016 **The Economic Implications of Ageing**

Hanoi, Vietnam was the venue for the 2016 HelpAge Asia-Pacific Regional Conference on The Economic Implications of Ageing, 6–8 September 2016.

This report provides a summary of the conference proceedings. Over 300 people attended from 35 countries in the Asia and Pacific region, representing 131 organisations, including participants from government, academia, civil society, UN and other international agencies and the private sector.

Conference participants	Total	Female	Male
International participants	228	100	128
Participants from Vietnam	79	45	34
Total	307	145	162





Day 1: 6 September 2016 Morning

Welcome from Government of Vietnam

In opening the conference, H.E. Mr Vu Duc Dam, Deputy Prime Minister, noted that when we talk about Vietnam, many foreign investors are excited because they believe that Vietnam is at the peak of the golden age – a young country. But few people are aware that Vietnam is on the threshold of demographic change and very quickly it will become an aged society. For that reason, the country is discussing a population agenda at the highest level. The government will discuss how we can take care of the elderly to capitalise on their strengths and their knowledge. In this context, this conference is extremely important for Vietnam.

H.E. Mr Dao Ngoc Dung, Minister of Labour, Invalids and Social Affairs said that Vietnam is one of the countries ageing most quickly. Many countries have taken 100 years to age, however Vietnam is taking only a short amount of time to age. So the Government of Vietnam has produced laws and action plans on ageing that aim at an enhanced role for older people and to mobilise resources to care for them. Vietnam continues to face challenges, so the country is in need of the support of other countries and international agencies.

“Few people are aware that Vietnam is on the threshold of demographic change and very quickly it will become an aged society.”

H.E. Mr Vu Duc Dam



*Top: H.E. Mr Vu Duc Dam, Deputy Prime Minister
Bottom: H.E. Mr Dao Ngoc Dung, Minister of Labour, Invalids and Social Affairs*

Opening remarks from co-hosts

Along with the Ministry of Labour, Invalids and Social Affairs (MOLISA), the conference was co-hosted by the United Nations Population Fund (UNFPA) and HelpAge International.

Lubna Baqi, Deputy Regional Director, UNFPA Asia-Pacific, delivered remarks on behalf of UNFPA. Governments and policymakers tend to focus on the costs of addressing population ageing. But we require a different mindset, one that turns challenges on their head and sees the very rare opportunities arising from an ageing population. Ensuring that older people are able to remain socially and economically active, secure and healthy as they age is not just the right thing to do, it's the smart thing to do – for economies and societies. Ensuring progress in the implementation of the Madrid International Plan of Action on Ageing is critical to realising the 2030 Sustainable Development Agenda with its central pledge of truly leaving no one behind. In this, our region has the potential to be a leader.

Representing the HelpAge Network was Mary Ann Tsao, Chairwoman and Founding Director of Network member the Tsao Foundation, Singapore. The HelpAge Network has responded to the huge demographic changes across Asia. While continuing to work for vulnerable older people, the Network has recognised that population ageing influences every aspect of government and society. It is no longer a side issue, but is high on the agenda of governments. And so it is appropriate that the scale of this conference and its theme are in tune with this rapid change.

“We need a different mindset, one that turns challenges on their head and sees the very rare opportunities arising from an ageing population.”

Lubna Baqi



Framing the conference: The economic implications of ageing

Eduardo Klien, Regional Director, HelpAge International

HelpAge regional conferences have evolved over time in two main respects. First, they have evolved from meetings with a small group of civil society organisations to collaborative events with multiple stakeholders, as we see in this Hanoi conference. Second, they have moved from discussing older people as only a vulnerable minority to embracing population ageing as a central theme in the 21st Century.

In this conference, the first day will examine the theme of The Economic Implications of Ageing from three complementary perspectives: the implications of ageing for (1) macroeconomic performance, (2) shared growth and equity and (3) fiscal sustainability. Taking healthcare as

an example, we see that ageing affects the macroeconomy if the loss of functionality in an older population reduces the size and limits the quality of the workforce. Economic equity is compromised when high healthcare costs and home care duties create burdens for families. Finally, the rising costs of healthcare and long-term care schemes can accelerate fiscal challenges for governments. The second day of the conference will examine the topic through four streams of sessions. The stream of Workforce aims to answer the question: How will population ageing affect the size and quality of the workforce? The second stream of Health will ask: How will population ageing affect health and functionality and our approach to healthcare? The third stream, Income, will examine how population ageing will affect income security – not only for older people but all households. And finally, a Markets stream asks: How will population ageing affect production, consumption and commerce?

The conference aims at building wider consensus on the social and economic adaptations needed in response to rapid population ageing. In the previous century, we responded to high fertility through a massive mobilisation of governments and societies to address challenges such as maternal and child health, school quality and early childhood education. We need a similar response to population ageing today. Adaptation is not optional, and the costs of inaction will be substantially higher than the costs of investing now.

“Adaptation is not optional, and the costs of inaction will be substantially higher than the costs of investing now.”

Eduardo Klien



How Asian Parliaments see the economic implications of ageing

Hon. Keizo Takemi, MP, Chair of Asian Forum of Parliamentarians on Population and Development (AFPPD), Japan

Governments need to be proactive in making needed adaptations in response to demographic transitions, even if they are relatively young societies. In light of Asia’s dramatically rapid ageing, we particularly need to consider how to meet Sustainable Development Goal (SDG) number 3: To ensure healthy lives and promote well-being for all at all ages. Expansion of demand for healthcare services for the elderly will spread like a wave. Without universal health coverage, we cannot overcome any of the issues related to ageing. We need to create an efficient policy package with universal health coverage as well as pension systems and new employment policies supporting work in later life. Older people should be supported to extend their independent living for as long as they can.

Other Asian countries can learn from Japan’s experience. For example, it is good for Asia to develop nursing systems based on in-home services, rather than hospital based systems as Japan tried. The overemphasis on

facility based care should be avoided in Asia. We should also consider the possibility of trainees from around Asia coming to Japan for training through an economic partnership agreement, and then returning later to their home country as certified care workers. It's essential that workers brought to Japan and other places not just be a one-way immigration, but a circulation.

“The international community should provide support for the achievement of Universal Health Coverage in middle and low income countries in a way that takes into account the ageing of those societies.”

Hon. Keizo Takemi



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Day 1: 6 September 2016 Afternoon

The implications of ageing for macroeconomic performance

Philip O’Keefe, Lead Economist, Social Protection and Labor Global Practice, World Bank

Rapid ageing does pose risks to economic growth. This trend is more pressing for some countries than others, depending on speed of ageing. Developing Asia is ageing at lower income levels than older nations, so sustaining growth matters. Although the risks are real, however, they

may be overstated. Demographics can change, policies can change, and behaviour can change.

There are several channels for ageing to have an impact on economic growth. Direct potential impacts include effects on the labour supply, the quality of the workforce, productivity, and savings and capital formation. The share of the population in working age (age 15–64) will decline in many countries, but many people in Asia work beyond “working age”. Urban workers in Asia tend to withdraw from the workforce earlier than rural workers, which may constrain economic prospects. Even if labour force quantity constricts, however, the quality of the workforce is expected to continue improving. Large gains in educational attainment are predicted and healthy life expectancy is rising. Another channel for population ageing to impact the workforce is productivity. Are older workers less productive and less entrepreneurial than younger workers? The research is mixed, but fears of negative impacts of ageing on productivity may be exaggerated. Older workers even have some advantages over younger workers, but seniority wage systems may compromise productivity. A third channel for ageing to affect growth is savings and capital formation. In Asia, savings rates are high and stable compared to other parts of the world, but those savings are often not translated into investment because of under-developed financial sectors. Much of this saving is precautionary saving for healthcare. Of greater concern are government savings and deficits, which can be at risk, for example with pension spending. Debt can spiral with an ageing population if care is not taken.

This picture has several policy implications. In particular, increased female labour participation is the greatest factor to mitigate the effect of a reduced workforce due to ageing populations. Other policies to consider include expanding immigration, extending the working lives of urban residents, promoting flexible work arrangements and adapting workplaces and employer attitudes towards older workers. Asia should also invest heavily in human capital development. This includes high-quality education and other investments across the life-cycle. Governments need to undertake significant pension reforms to extend working lives, reduce fiscal pressure, avoid overly high taxes on workers but also extend pension system coverage. Health and long-term care systems should be reoriented to address the epidemic in non-communicable diseases (NCDs), extend healthy lives, and improve cost-effectiveness of health systems to reduce fiscal pressure and high precautionary savings.

“While the risks are real, some of the risks, particularly for Asia, are sometimes overstated. How those risks translate into future impacts will be highly dependent on the policy and behavioral changes that countries adopt.”



Philip O'Keefe

The implications of ageing for shared growth and equity

Jomo Kwame Sundaram, Former Assistant Secretary General for Economic Development in the United Nations system

Asia is changing rapidly because families are having fewer children and they are less likely to contribute economically at an early age, and there is a lower expectation that they will care for their parents when older. We cannot assume that people will always continue to be better off, especially considering that we will soon reach a global tipping point for climate change. Social policy therefore needs to address inequities in society associated with changing dynamics. The question is our approach to social policy. The approach of the 1980s and 1990s (Reagan and Thatcher) started from the assumptions that public services were only for the poor, and that the middle and upper classes should access privatised/commercialised services. Means-testing was central but was not good for democracy because it created two tiers of citizenship. A universal approach is rights-based, while targeting (a safety net approach) is expensive and misses many people.

In recent years social protection, including cash transfers, has expanded, but not without debate. There is sometimes an assumption that older people waste cash transfers, but evidence shows otherwise. The bulk is spent on food, then on other household members, utilities, fuel and health. Grandparents are altruistic, sacrificing their own interests for their family members. The cost is small – often less than 1 per cent of GDP. Affordability of those expenditures is ultimately an issue of political will. Social expenditures, mainly on health and education, should grow with fiscal space from increasing income and tax revenue. But in many cases, lost taxation has been the result of trade and financial liberalisation, tax evasion and inadequate tax systems. There can be national capacity to fund social protection floors and socio-economic recovery in virtually all countries.

In summary, social policy needs to address inequities in society. One way to do this is by expanding social transfers. They are affordable and financially feasible: fiscal space exists, even in the poorest countries. However, the fiscal space must be freed up. This implies budget reallocations but also expanding taxation by addressing tax evasion and inadequate tax systems. Trade and international financial liberalisation is also causing leaks from LICs.

“There can be national capacity to fund social protection floors and socio-economic recovery in virtually all countries.”

Jomo Kwame Sundaram





The implications of ageing for fiscal sustainability

Donghyun Park, Principal Economist at the Economics Research and Regional Cooperation Department (ERCD), Asian Development Bank (ADB)

Population ageing can have significant effects on fiscal sustainability because it affects both government revenue and expenditure. In high income, rapidly ageing countries, population ageing will have a significant negative impact on fiscal health. However, the impact of ageing on middle and low income countries will be more limited. Many of them may experience a substantial improvement of their fiscal positions despite demographic change, where they still enjoy an expansion of the working age population, but sooner or later they will face a deterioration of their fiscal health.

The key to achieving more inclusive growth that embraces the elderly without sacrificing fiscal sustainability is to sustain economic growth. In Asia, fiscal policy has been primarily used to support growth rather than to redistribute income. The single biggest benefit from rapid economic growth in Asia has been the reduction in poverty, but we are now confronted with growing inequality. Inequality hurts economic growth. It was appropriate for past public policy to aim for growth: you need a pie to divide. But now Asians care more about the quality of growth rather than growing as fast as possible.

Asian governments are beginning to respond via fiscal policy. If Asia is serious about using public policy to improve inclusive growth there will need to be at least some increase in social spending financed by some increase in tax revenue. A tangible increase in public spending on the elderly is probably required to combat the high risk of old age poverty and to build an inclusive society which embraces the elderly. This includes pensions, health care and cash transfers to the elderly. Family support is declining in Asia, but public transfers are underdeveloped. Population ageing and inclusive growth are closely related. A society where many older people cannot live humane, decent, fulfilling lives cannot possibly be an inclusive society.

Yet Asia lags other regions in fiscal spending to promote equity. Asian countries now face a dilemma: how can they use fiscal policy to promote inclusion while maintaining fiscal sustainability? Some expansion of public spending will be required, but this may jeopardise fiscal sustainability. Asian countries must therefore strengthen their revenue

base while they adjust their spending for a new era. We need to improve our understanding of the connection between age, tax burden, and need for support. Data limitations impede analysis of these relationships. Through sound policies to minimise the negative impacts of population ageing, Asia should be in relatively good shape.

“It was appropriate in my view that the objective of fiscal policy was to support growth rather than to divide up the pie. But of course now that we reach a certain income level, Asians are now caring more about quality of growth rather than growing as fast as possible.”

Donghyun Park



Panel discussion with plenary presenters

The moderator observed that older people are the fastest growing and least used resource to build harmonious societies and sustainable economies. Old narratives must change, because we know that policy solutions emerge from the public discourse and public pressure that arise from popular narratives. Ageing often gets discussed as an issue of the elderly alone, but addressing ageing for society is about people of all ages. The panel and audience mentioned that a number of tired narratives need fresh thinking, including the idea that ageing and older people are a burden; that their unmeasured contributions are unimportant; that value to society needs be measured economically; and that we can't afford the cost of protecting an expanding ageing population.

At the macro level, population ageing is too often presented as a burden for society, but this is simplistic. First of all, we should acknowledge that ageing itself is a success story of development. Looking to the future, ageing does not need to have a negative impact on the market economy on a whole. Everything that is a cost to somebody is an income to somebody else. Economic numbers, such as the mechanical comparison of dependency ratios, don't always tell the right story. At the micro level also, older people may be perceived as a burden, and we need to change that perception. As one participant noted, I want my children to say that I am living with my parents, not that my parents are living with me, that they are a burden. Can we facilitate that discourse? Older people make important contributions in the intergenerational exchanges of every society. For example, we see this in how older people use their pensions: they help others.

Many of these intergenerational exchanges are not captured adequately in economic analysis. Care work, much of which is done by mothers and girls and older people at home, is not valued or measured in the same

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- Donghyun Park, Principal Economist at the Economics Research and Regional Cooperation Department (ERCD), Asian Development Bank (ADB)
- Jomo Kwame Sundaram, Former Assistant Secretary General for Economic Development in the United Nations system
- Mary Ann Tsao, Chairwoman and Founding Director, Tsao Foundation, Singapore
- Arun Maira, Chairman of the Board of Trustees of HelpAge International (moderator)



Panel discussion with plenary presenters.

From left to right: Arun Maira, Donghyun Park, Mary Ann Tsao, Philip O'Keefe and Jomo Kwame Sundaram

way as other work. For many decades we have been asking economists to count the contribution to GDP of women working in the home. We should do this exercise for older people's work as well. One panellist responded that economists can measure the contributions of social care and housework; it's a straightforward calculation. But getting them included into national transfer accounts and national level calculations is harder. Other dimensions, such as wisdom, are far more difficult to measure.

There was some discussion about whether we should put so much emphasis on measuring the economic aspects of ageing at all, and counting the costs and benefits of intergenerational exchanges. It may be appropriate that some of these contributions are not counted economically. For example, families can hire someone to provide support but they need a family member to be present. We cannot simply measure that contribution in money – it is a labour of love. We need to value older people and be sure that all older people – not just the older people who have resources or who can contribute – have something to look forward to in later life. We should not discard them, and older people should not allow themselves to be discarded. This means taking a less calculated approach towards the support we provide them. We need to move towards a rights based approach, because our support for older people is based on their intrinsic human value and is not dependent on their economic contributions.

In discussing social support for older people, there is also a common narrative that social protection for an expanding older population is unaffordable. But even relatively poor countries can afford social protection. It is a myth that only Norway can afford it. Having said that, Asian countries already invest heavily in other sectors such as education and healthcare and promoting growth, and those also need support. Social spending often brings economic benefits. The IMF and others have shown the relationship between increases in pension, health and education spending and increases in household consumption. We also see macro benefits from investments in health or pensions. Social protection can also

play an important role in addressing inequality. Until recently, economists have assumed a trade-off between growth and equality. However, evidence now shows that equity benefits macroeconomic growth. We should also not assume there are trade-offs or competition between different age groups. Women, for example, can both participate in the labour force and have children, if policies are supportive. Older workers do not preclude younger workers entering the labour market.

The narratives can change. Change is not for the government alone; we also need behavioral change by businesses, families, individuals as much or more so. Ageism is a big barrier, for example with mandatory retirement. Research is important: good data is needed to for policy development. We also have the responsibility to work with communities to effect change at that level. In the past, we achieved success in reducing child mortality and fertility rates. We should use many of the same methods to address the issues arising from population ageing.

Day 2: 7 September 2016

Parallel sessions

Stream 1: Workforce

W1: Maintaining workforce size: augmenting a shrinking workforce

The presenter noted that the evolution of the working age population varies across the region, but the direction for many countries is shrinkage over the coming decades. Countries where rapid ageing will impact the working age population have a menu of options. (1) The biggest single thing countries can do is to increase the female labour force participation rate. This implies greater investment in public childcare and aged care. Increased public investment in childcare have been shown to positively impact both female labour force participation and fertility. (2) Gradually align official retirement ages with the new demographic realities. (3) Encourage longer formal sector work by older people, by adjusting labour market institutions and policies. (4) Some countries may consider higher levels of immigration from young neighbouring countries. (5) Keep people productive for longer through life long learning to promote skill upgrading across the life-cycle. (6) Avoid simplistic approaches to stimulating fertility, which have been shown not to work across Asia. Efforts to stimulate fertility through simple cash payments for babies have been costly and ineffective.

Session contributors

- Philip O’Keefe, Lead Economist, Social Protection and Labor Global Practice, World Bank (presenter)
- Thanh Long Giang, Associate Professor, Director, Institute of Public Policy and Management, National Economics University, Vietnam (discussant)
- Ferdous Ara Begum, HelpAge Board Member/Gender and ageing issues specialist, Bangladesh (discussant)
- Ritsu Nacken, Deputy Representative, UNFPA Vietnam (moderator)

Much of the discussion revolved around women's participation in the labour force, in addition to their unpaid work, which is not captured in GDP figures. Culture is sometimes a barrier, even with policy change. An example in the region is Japan, where men are entitled to parental leave but often do not take it up due to societal norms of men taking time off work. In Vietnam, school timings have been extended to accommodate women. Many women want to join the workforce, but family responsibilities are not shared equally. Other barriers include gender pay gaps, unequal pension ages, early marriage, the lack of childcare facilities at the workplace, the lack of maternity leave and incidents of violence at the workplace. Policy should not push women into the labour force but simply give them options and not force them to choose between family and work.

Many older people also want to continue working, but health concerns and the lack of insurance, along with inflexibility in retirement arrangements, often prevent them. There is evidence that keeping older people in the labour force has not kept younger people from working, so we need to correct that misconception in the minds of policymakers. Another misconception is that older people and entrepreneurship are incompatible. Many places don't invest in entrepreneurship past a certain age because they think there won't be time to pay the investment back. But there are examples from Europe of putting workers of different ages together to complement each other's skills. We talk about diversity of race and sex in the workplace, but we should also be talking about diversity in age.

“The biggest single thing Japan, Korea and the world can do is to increase the female labour force participation.”

Philip O'Keefe

W-2: Maintaining workforce size: keeping older people in the workforce

According to the presenter, we should avoid simplistic presumptions about population ageing and the workforce. The ageing of populations does not immediately translate into a decline in the working age population, and a decline in the working age population does not need to translate into a decline of the labour force. Even a decline in the labour force does not mean that there is a shortage of labour or especially a shortage of specific skills in the market place. Hardly any country has a labour shortage – there is a reserve to tap into to supplement the labour force – but many complain about skills shortages. An increase in productivity can often offset ageing workers leaving the labour force.

This perspective leads to several policy considerations. First, we should rethink retirement age and pensionable age. We might consider eliminating the retirement age to create opportunities for work, but maintaining a pension age to reduce the need for work after a certain age. The U.S., for example, does not have a retirement age. Second, we

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- Tengku Aizan Hamid, Founding Director, Malaysia Research Institute on Ageing, University Putra Malaysia (discussant)
- Xiao Hongyan, Chief, International Affairs Section, China National Committee on Ageing (discussant)
- Diego Palacios, UNFPA Representative to India and Country Director in Bhutan (moderator)

should rethink investment in human capital. We should invest throughout the life course in both education and health, empower women and ensure maternal, child and infant health. Third, we should rethink capital accumulation, insurance and social protection. This includes creating flexibilities for time off during working age and allowing for work later in life. We need to move from the informal to the formal workforce to make social protection work.

The discussants and participants picked up on these issues. In China, for example, retirement age was set quite young in the late 1940s. The situation has changed with life expectancy climbing, but the policy has not. By 2025, half the labour force will be over 40. A third of Chinese surveyed want to continue work after their retirement. China plans to implement a flexible retirement policy; support volunteer activities; and develop elderly groups such as older people's associations. Other governments also need to adopt new strategies. In the future the aged will be better educated, so we need to dispel myths about older workers, address discrimination and tackle the shame of some children when their parents continue to work in old age. The Asia region also needs greater flexibility in the workplace and to invest in simple technology to replace the physical part of work, so workers can continue in employment as they get older.

“Hardly any country has a labour shortage as such, but many have complained about skills shortages.”

Michael Herrmann



W-3: Investing in workforce quality and productivity in an era of ageing

The presenter stated that in East Asia, 25–40 per cent of per capita GDP growth since 1965 came from the demographic dividend. An increase in the share of the working age population can expand human development through various channels: greater labour supply, higher savings and investment, rising productivity, improved education and health, growing domestic demand and urbanisation. But capitalising on it requires a long-term vision, strategic policies and good governance.

Asia-Pacific countries can be grouped into three broad categories based on their stage of demographic transition: initial (e.g. Lao PDR), middle (e.g. Vietnam) and advanced stage (e.g. Singapore). Countries at each stage will need to address the demographic transition in different ways. Countries in the first stage in particular still need to focus on unlocking the potential of children and youth, but many Asia-Pacific countries are now ageing very rapidly. Countries at later stages need to increasingly focus on expanding women's equality, for example. They will increasingly need to address strains on public budgets, labour shortages, and the funding of social security and health care. The region is facing potential declines in productivity, which can be addressed by promoting skills training and higher quality education, among other steps.

Session contributors

- Thangavel Palanivel, Senior Strategic Advisor and Chief Economist, UNDP Regional Bureau for Asia and the Pacific (presenter)
- Wanchat Suwannakit, Policy and Planning Analyst, National Economic and Social Development Board, Thailand (discussant)
- Sri Moertiningsih Adioetomo, Professor Emeritus, Faculty of Economics and Business, Universitas Indonesia, Jakarta (discussant)
- Chris Roles, Director, Age International, United Kingdom (moderator)

The discussion introduced another perspective, of three age groups: children and youth, the working population and older people. If we address human capital issues through a life-cycle, population-wide approach, this may result in a much more independent and active ageing population. We must communicate to policymakers of the world that the demographic transition of ageing is not only about older people. It is about people living longer and healthier, and we must begin by addressing our population at birth. Each country should not work alone but can work together and learn from other countries at more advanced stages of ageing. There was discussion about the central role of females in the workforce, and couples need to feel confident about childcare to encourage greater labour participation. In some countries such as Thailand, many educated women are not having children at all. Participants commented on the mismatch between education and the labour market, including the informal sector. Basic education should prepare students with basic skills. We also need more data for policy, including on youth and the informal sector.

“Demographic transition is not about the elderly. You must communicate this message to all policymakers: we are talking about birth to death.”

Wanchat Suwannakit



Stream 2: Health

H-1: Healthcare in middle income ageing societies: cost or investment?

The presenter's key point was that framing health care as a cost rather than an investment is simplistic and inevitably leads to policy decisions that reinforce ageist stereotypes and emphasise cost containment at the expense of investments that may have better outcomes. Population ageing should not be seen as an uncontrollable driver of rising health care costs. Time to death is much better predictor than age of health care costs, particularly in the last 18 months of life. If coordinated long-term care is not available, health care costs will be even higher.

If health care is framed as an investment, not a cost, the returns are obvious: e.g. better health outcomes for older people, improved workforce participation, increased consumption, and stronger social cohesion. We can frame our investments on the capacity of individuals. Functional ability of older people is based on both intrinsic capacity and the capacity of the environment around them to facilitate. For those with high and stable capacity, we should invest in prevention. For those with declining capacity, invest in care and prevention. With significant loss of capacity, investments in long-term care are increasingly important. WHO's global strategy and action plan on ageing and health addresses these issues in detail.

Much of the session discussion focused on the inappropriate design of health systems. Healthcare systems are not designed for older people, and that is why they are so expensive. Health system investment has primarily been in hospitals, and this is not effective. Self-care is very important, and this needs to be a focus for policymakers and practitioners. Good healthcare brings economic and social returns. In Thailand, for example, spending on universal coverage increased economic activity by reducing poverty and increasing household consumption. Universal community based long-term care has a positive rate of return by increasing consumption and job creation of paid caregivers. By properly investing in healthcare for older people, our society becomes much more efficient while old people live much happier lives, a win-win situation. Healthcare costs don't have to stay high if we pursue efficient investment and efficient expenditure. We can reduce our costs, even in an ageing society, but we need to frame our arguments better. We must build the case for better data analysis and research.

“It is much better to frame the expenditure on older people as an investment rather than a cost. If you invest in health systems, you'd hope to get health. Why are we doing it otherwise?”

John Beard

Session contributors

- John Beard, Director of Department of Ageing and Life Course, World Health Organisation, Geneva (presenter)
- Mary Ann Tsao, Chairwoman and Founding Director, Tsao Foundation, Singapore (discussant)
- Thaworn Sakunphanit, Programme Director, Health Insurance System Research Institute, Ministry of Public Health, Thailand (discussant)
- Lubna Baqi, Deputy Regional Director, UNFPA Asia Pacific Regional Office (APRO) (moderator)





H-2: The financial implications of different policy choices in health systems reform

The presenter introduced the need for health system reform in light of the health of older people, and the policy choices for such reform. It is our job to reshuffle our healthcare systems to better suit ageing populations. Health spending has been much lower in low income countries compared with high income countries, but the growth of health expenditure exceeded economic growth in most Asia-Pacific countries during the period 2000–2012. “Ageing” explains one-third of the health spending growth in high-income countries. But in low- and middle-income countries, it may take a greater share due to rapid ageing, an increase in health coverage and urbanisation. Healthcare costs increase as we age, but actually decrease as we get very old. How we manage the end of life has a huge impact on our healthcare financial state.

Governments must deal with four critical policy areas in health system reform. (1) Financing for Universal Health Coverage: UHC can contribute to better health of older people, reducing the need for long-term care and thereby improving both efficiency and equity. However, it needs a sustainable financing mechanism, and a pure contribution approach presents barriers for UHC. A separate financing mechanism for older people or NCDs is not desirable. (2) Service delivery and human resources: Health systems in Asia should be re-oriented to respond to an increase in NCDs and ageing. There is an overreliance on hospital care with weak gatekeeping and referral systems, leading to high costs and low quality. (3) Long-term care system: LTC can reduce unnecessary social admissions in hospitals, and a community-based LTC system can improve quality of life and potentially save costs. But the system should avoid overreliance on institutional care, and insurance options need to be weighed carefully. (4) Coordination of health care and long-term care: There should be stronger coordination among the Ministries of Health and Social Welfare and a continuum of care that avoids discontinuity of service and fragmentation. People should be able to freely choose where they want to receive their long-term care, based on their functional disability, need and preference.

Session contributors

- Soonman Kwon, Chief of Health Sector Group, Technical Advisor on Health, Asian Development Bank (presenter)
- Ravindra P Rannan-Eliya, Director and Fellow, Institute for Health Policy, Sri Lanka (discussant)
- Wipada Kunaviktikul, Professor and Dean, Faculty of Nursing, Chiang Mai University, Thailand (discussant)
- Prakash Tyagi, Executive Director, GRAVIS, India (moderator)

The session discussion took up the issue of the rising burden of non-communicable diseases, often treated in hospitals. Health systems that appropriately respond to younger groups may end up having a lower burden of disease among older populations. Yet training and services often focus on curative approaches instead of prevention and promotion. NCDs include those associated with obesity and overweight, and a large component of physical frailty is related to the problem of obesity/overweight, thereby contributing to LTC needs. There is also a huge under-provision of essential medicines for older people (especially NCDs). The health system needs to be revamped and care systems for the elderly need to be integrated into them, not created alongside them. LTC cannot be a burden simply for the family in the future. There is evidence from EU countries that home-based care is not necessarily cheap. The costs placed on families were hidden in the past, including opportunity cost and cost of care, but are now being measured. It seems new to us, but these costs have always been there and have been covered in a very inefficient way. This is not just a cost issue but also implies a choice for the older person.

“It is our job to reshuffle our health systems to better deal with ageing populations.”

Soonman Kwon

H-3: Can the State afford *not* to get involved in long-term care?

This session was conducted through a panel discussion. Despite resource constraints, governments have some options in how they address long-term care (LTC) gaps, and inaction may lead to even greater costs. How can governments start to evaluate the cost, investment and returns of LTC? The benefits of LTC include improvements in functional status and overall health and wellbeing. In terms of savings, evidence from OECD countries is that when there is not a good LTC system, people tend to stay longer in acute care/hospitals as the support they need outside the acute care system is not there. So a good LTC system would increase the possibility for enhanced functional status, and reduce the burden on health system. We should also examine who is providing LTC. It is usually family members, and there is some cost and sacrifice in terms of labour force participation when they are providing care. A LTC system may also have a positive impact on employment, as there will be a need for workers in this field. And it is possible that a good LTC financing system and benefits package might even have a positive impact on markets/businesses. These potential benefits might then be considered a cost of not introducing a good LTC system.

How have governments viewed responsibilities between individuals, families and government? Singapore has taken a strong stance that individual and families are primarily responsible, with the private sector and government entering later. Now we are beginning to hear of longevity rather than ageing. The direction of the healthcare system is evolving: from healthcare to health, from hospital to community, and from quality to value. In practice this means we are seeing a shift from to greater

Session contributors

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- Soonman Kwon, Chief of Health Sector Group, Technical Advisor on Health, Asian Development Bank (discussant)
- Cho Hyun-Se, President, HelpAge Korea, Republic of Korea (discussant)
- Peh Kim Choo, Chief, Programmes of Hua Mei Centre for Successful Ageing, Tsao Foundation, Singapore (discussant)
- Hiroko Uchimura-Shiroishi, Financial Sector Specialist, Asian Development Bank (moderator)



community-based services and improved coordination of care across health and social welfare systems. Provision of funding and capacity building are also supporting this shift. Private sector financing sometimes has advantages, as the public sector cannot always quickly respond to needs or innovate as quickly. In terms of payment whereas rich people can buy services even in LICs and MICs, less affluent older people who do not have sufficient family care are another category, where government responsibility comes in.

In the Republic of Korea, the government previously had a policy that care responsibility rests on the government. The policy changed in 1987 to support home care, and responsibility has given to just one NGO. Nearly 30 years later, there are over 700 NGOs providing care services in the Republic of Korea. The subsequent HelpAge Korea experience in ASEAN suggests that one of the benefits of working with NGOs is to test the potential delivery systems for care.

In Thailand, an initiative was started in 2011 to promote home-based care and community care. A cost comparison showed that institutional care is about 10 times more than home-based care. That is why government investment in Thailand is focused on home and community care. Community-based models include the involvement of volunteers in the community delivering a spectrum of services, and community based care is anchored by home care. However, it is recognised that whether home care is better or worse depends on the needs and preferences of the person. In conclusion the overall goal should be to provide a spectrum of affordable care services for all, based on older people's needs and preferences.

“Our goal is to provide a whole spectrum of care, such that older persons can choose based on their preferences and needs without financial hardship.”

Soonman Kwon

Stream 3: Income

I-1: Changing patterns of income security in old age

In all societies there is a period of dependency in the beginning and at the end of the life. For this reason, older people may not be able to earn as much as they spend. As assessed in the National Transfer Accounts (NTA) approach, there are support systems to cover this with three components: private transfers (family), public transfers and asset-based reallocations. The mix of this is changing over time and differs between country and between urban and rural areas.

The presenter noted that old-age support systems are increasingly important in Asia because of rapid population ageing and social change. Family transfers play an important role as the elderly get older (from age 65 to 84). In countries such as Japan, however, over time the family support system is deteriorating, and the elderly rely more on public support. In general, reliance on public transfers in Asia is still relatively small. This is important for Asia because it means the fiscal burden is relatively small, and too much reliance on public transfers may reduce savings and growth. Projections show the impact of demographic transition on public transfers is not terribly onerous in Asia, but demand for public programmes is growing. Keeping public transfers at a reasonable level is essential for sustainability. Reliance on assets and savings varies greatly, but is particularly important in countries such as the Philippines, India and Thailand. If needs in old age are met by asset accumulation, then population ageing can raise overall asset income. But if people expect to be supported by public or private transfers when they are old, this effect on asset accumulation will be smaller.

There are several longer term policy options for offsetting the negative effects of population change: increasing productivity (via effective education and training); utilising the female, youth and elderly labour force; encouraging saving and investment to create employment; avoiding excess reliance on transfers to support consumption; and altering population policy (including the expansion of immigration). There is no single optimal response; it varies by country context. If a country relies on transfers, sustainability becomes an issue. If it relies on assets, then consumption suffers. Increasing productivity is not just for ageing societies, but it does have bigger impact when rapid ageing is occurring.

Much of the discussion focused on intergenerational issues. It was noted that traditionally older people are viewed as receivers, but a substantial number are supporting their adult children and grandchildren. In addition to economic transfers, there are non-economic transfers, the work that older people contribute (child care, housework). The value is not counted economically, but these transfers allow adults to enter the workforce. In Iran, for example, younger people are relying on older, but this impacts the wellbeing of older people as well. The NTA also demonstrates the importance of investment in the early part of life, which will help future workers and future older people. For example, in Thailand for early childhood development, the rich families have their own assets but the poor heavily rely on public transfers.

Session contributors

- Sang-Hyop Lee, Professor, Department of Economics & Director, Center for Korean Studies, University of Hawaii, USA (presenter)
- Lakshman Dissanayake, Vice Chancellor and Senior Professor, Department of Demography, University of Colombo, Sri Lanka (discussant)
- Wanchat Suwankitti, Policy and Planning Analyst, National Economic and Social Development Board, Thailand (discussant)
- Bishwa Nath Tiwari, Programme Specialist, UNDP Bangkok Regional Hub (moderator)

“Projections show the impact of the demographic transition on public transfers is not terribly onerous in Asia, but demand for public programmes is growing.”

Sang-Hyop Lee



I-2: Income, family and changing values

National Transfer Accounts analysis for Japan shows trends over time in support systems for older people: i.e. family transfers, public transfers and assets. Various policy changes have affected the profile of consumption in old age and also societal values. From 1984 onwards the elderly received support from government (public transfers), and family support (negative net private transfers) typically started at age 65. By 2009, family support generally started only by age 81. In other words, the Japanese elderly had become quite independent until age 81. In fact, negative family transfers became clear: older people give resources back to children. Older people in Japan have therefore been playing role of society's safety net, especially since 1990s. One reason for these negative transfers is that public pensions are a highly dependable source of income, so older people are able to give money to their children.

The public sector tends to be slow in responding to Japan's rapidly changing age structure and social needs, but families respond more quickly. Japan has seen rapidly deteriorating familial support and a sudden shift in values. For example, the percentage of Japanese who expect to depend on children in old age has declined steadily. Interested in providing support for aged parents also began dropping sharply after 1986 with the government's promotion of in-home care of the elderly. That drop suggests that families were unhappy when the government started shifting responsibility for elderly care back to families. Thus, when analysing intergenerational transfers, money is not everything; we also must give attention to time. Individual responses to these policy changes vary considerably, depending on characteristics such as health, education, wealth and family arrangements.

The session discussion suggested that Japan may not be a harbinger of what is to come or a model for low- and middle-income countries, but it does illustrate an important point: the elderly provide social security for the whole family. This has also been observed in other countries. If we are looking for a universal human impulse, that is it: older people want to help children and grandchildren. A generous social security system permits that. Another point is that the scattering of generations can break down filial piety, but that observation can be overplayed. Family support continues, but it is not universal, can't be relied upon, and is less complete than we would hope. For those reasons, more support is needed from government. But a big challenge is fiscal sustainability, and the response to that challenge is more emphasis on self-provision. To encourage self-provision, we also need incentives, defaults, nudges and peer pressure. We need to help people think about retirement early in life.

Session contributors

- Naohiro Ogawa, Project Professor, Graduate School of Economics, University of Tokyo & Professor Emeritus, College of Economics, Nihon University, Japan (presenter)
- John Piggott, Director, ARC Centre of Excellence in Population Ageing Research (CEPAR), Australia (discussant)
- John Knodel, Research Professor Emeritus, University of Michigan & International affiliate, Chulalongkorn University (discussant)
- Thelma Kay, Independent consultant, Singapore (moderator)

Looking at the future in low- and middle-income countries, we should not assume future prospects will reflect the present situation. For example, higher incomes of adult children (from increased education) may in future compensate for smaller family sizes and thus help maintain financial support in old age. Government transfers may crowd out family support, although evidence from Thailand's old age allowance suggests otherwise. Improving health may enable older people to work longer; and contrary to popular perceptions, there is actually a positive relationship between employment in old age and youth employment. In addition, having fewer or no children may allow older people to accumulate greater wealth. In general, the elderly of the future will differ from today's elderly. They will be better educated, have better health and live in a different environment, so the future is hard to predict with precision.

“If we were looking for a universal human impulse, it would be that older people want to help their children and their grandchildren as much as possible. Japan’s generous social security system permits that.”

John Piggott

I-3: What type of sustainable pensions and savings mix does middle income Asia need?

The session presentation explained the case of Vietnam as an example. Vietnam has four pillars of social protection: (1) labour market, (2) social insurance (contributory), (3) social assistance (non-contributory) and (4) basic social services. The country's contributory pension system is designed as a pay-as-you-go, defined-benefits scheme. Even with an increase in the retirement age, it is facing depletion of funds in the future and has a low contribution rate. The non-contributory system is universal for people from the age of 80, and means-tested for a limited number of people between the ages of 60–79. Since 2000, the non-contributory pension scheme has gradually expanded in coverage (by lowering the age of automatic eligibility from 90 to 80) and in benefit amount (from 45,000 to 270,000 VND). However, half of older people in Vietnam receive neither the contributory nor the non-contributory pension, and the benefit level is inadequate.

The discussion noted that the Philippines also has a contributory scheme and a non-contributory scheme for those in extreme need. The age of eligibility for the social pension has been reduced from age 77 to 60 through lobbying by older people. But the decision making of who should receive this pension is very subjective and politicised. Advocates in the Philippines are pushing for a universal pension based on principles of equity and rights.

Across the region, most countries have contributory pension schemes in place, but most have only small coverage of the workforce, and the

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- Giang Thanh Long, Associate Professor, Director, Institute of Public Policy and Management, National Economics University, Vietnam (presenter)
- Celine Peyron Bista, Chief Technical Advisor, International Labour Organisation (ILO), Asia and the Pacific (discussant)
- Aura Sevilla, Project Coordinator, The Coalition of Services of the Elderly (COSE), Philippines (discussant)
- Charles Knox-Vydmanov, Social Protection Policy Adviser, HelpAge International (moderator)



amount is often inadequate. For that reason for the past 20 years, 14 countries have put in social (non-contributory) pension schemes. Filling the gap in the Social Protection Floor would mean expanding the social pension pillar to reach more people. UN-DESA projections showed that it would take less than 1 per cent of GDP for 66 out of 100 developing countries to provide a basic universal pension equivalent to \$1 per day to everyone over age 60. Affordability is ultimately a political decision. Governments in the region have many priorities, so they need to find the right balance between adequacy and sustainability, and contributions and taxes. Countries sometimes make the mistake of starting with low contributions or poor incentives to contribute, and this leaves a burden for future governments.

Pensions have a double function: poverty eradication and replacing income. According to ILO standards, at least 40 per cent of income should be supplied as a pension, and the amount should reflect cost of living. A social security system should be seen as a social contract that promotes social solidarity and redistributes income, especially between men and women and across the formal and informal sectors. Societies should view pensions as a unified multi-pillar, multi-stakeholder system and not separate private and public systems. But there is no model that can be replicated in each country; it needs to reflect the local situation.

“The balance between pension sustainability and adequacy reflects a social contract: As a society, how much do we think would be an adequate pension and how much are we ready to pay for it through contributions but also taxes?”

Celine Peyron Bista

Stream 4: Markets

M-1: How can population ageing boost consumption and markets?

Population ageing can be seen as a problem or an opportunity, and business is increasingly seeing it as an opportunity, according to the presenter. Demand is changing in ageing societies as the market share and purchasing power of older people are expanding. For market purposes, over 50 is considered older, as this is when physiological ageing noticeably begins in 25 key areas such as eyesight, digestion and dexterity. The psychological effects of ageing are much less pronounced as interests and preferences do not change nearly as much, so products should respond to physiological needs as well as individual tastes and preferences. Demand does vary: consumers are defined not just by age but also by factors such as education, wealth, gender and lifestyle.

There are some obvious target industries for an ageing society, such as healthcare, housing, pharmaceuticals, medical equipment, automation and assistive devices. However, we should look beyond specific industries and see three markets: age neutral, age adapted and age silo. In each case, we should view the options for products and for marketing. For example, hearing aids may be targeted at older people (age silo), but iPhones are age neutral in terms of both marketing and product. Travel may be used by anyone but can be targeted at a specific age group.

The discussion picked up on issues of older customers and customer rights. Products may be helping people realise that they are ageing, and can emphasise either an age divide or age inclusion. Are older people proud to have a design that is specific to them? Actually most people over 50 do not consider themselves as older, so how is it possible to market products or services to people without making them feel marginalised or labelled? Another point is that people always think that some services for older people should be free of charge, but they are increasingly willing to pay for services.

The role of government in the growing silver economy was also discussed. For example, China before 2000 had a policy to help poor older people by accommodating them in nursing homes. Gradually, with so many older people, this approach was not sufficient. The challenge is how to develop the market to support the state in meeting needs. Luxury products

Session contributors

- Kim Walker, Founder and CEO, Silver Group (presenter)
- Timothy Ma, Consultant, City University of Hong Kong and Hondao Elderly Welfare Association of Taiwan (discussant)
- Du Peng, Director and Professor, Institute of Gerontology, Renmin University of China (discussant)
- Susana Concorde Harding, Director, International Longevity Center Singapore, Tsao Foundation (moderator)



have money to advertise, but they only reach rich people. The Chinese government's policy is that there are benefits to developing products and services for a wider group of older people. China is now drafting a plan for silver industries to decide which industries the government should support and whether the government should purchase some services to subsidise some basic needs of older people. Another possible model is social enterprise: if you can pay, you pay; if not, the government pays; if you are in between, then the enterprise raises funds to provide the service for you.

“Don’t model your ageing strategies around today’s old. You should be thinking 10 years younger than your target ‘ageing’ age. That’s the strategy that should be driving your businesses.”

Kim Walker

M-2: The role of private sector partnerships with CSOs and government in ageing societies

Complex problems and opportunities can be addressed by multi-sector partnerships. Public-private partnerships (PPPs) are based on mutual benefit. Partnerships between the public and private sector need three key elements: incentive alignment, value creation and innovative solutions. Particularly important is to align the incentives of different actors. For example, government is motivated by access to innovation and the efficiencies of private sector solutions; the private sector is motivated by the potential to influence policy and demonstrate a return on investment; and civil society organisations (CSOs) are motivated by funding and the potential multiplier effects of working in a public-private partnership. There are different types of partnerships. (1) With contractual PPPs, the exchange of value is embedded in contracts (e.g. a tender for private management of a government facility). (2) Soft PPPs provide more indirect benefits to each party, such as joint initiatives with government in the spirit of partnership. (3) Market making PPPs drive treatment volume, such as expansion of thyroid treatment in rural areas.

One example is addressing the labour force participation gap between men and women, which is a missed economic opportunity. Government's incentive is to have a healthy workforce for economic growth, which implies greater female labour force participation. With a particular interest in thyroid disorders, Merck looked at solutions to the lack of female participation in the workforce in five areas: workplace health and safety, health access and awareness, gender based violence, reproductive and sexual health and work-life balance. These are barriers to women entering, advancing in, and remaining in the workforce. Merck thus helped to launch a programme providing strategies and practices to improve female labour workforce participation through better health. Another example is Vietnamese farmers and fishers affected by a refinery, and the company worked with several NGOs and local authorities to restore livelihoods in communities.

Session contributors

- Chrysanthus Herrera, Medical Science and Government Affairs Manager, Merck Philippines (presenter)
- Janjarang Kijitkhun, Deputy Coordinator-Strategic Social Investment (SSI), Monkey Forest Consulting (discussant)
- Nguyen Ngoc Quynh, Social Protection Analyst, UNFPA Vietnam (discussant)
- Timothy Ma, Consultant, City University of Hong Kong and Hondao Elderly Welfare Association of Taiwan (moderator)

The discussion agreed on the need to capture the motivations of all partners and share the value of the benefits generated through partnerships. Public opinion is important. Companies need to be careful about the messages they create and the way that they are perceived, as the cost of errors can be high. Indeed, corporate social responsibility (CSR) is often viewed as negative – for company benefit rather than national benefit. However, the private sector has a role in sharing cost of ageing burden for the future. Older people are very powerful consumers with strong political voice – they actually vote. Older people are also an important part of the labour force. A life-cycle approach prepares for the cohort of older people of the future, not only those who are old now.

Governments should therefore support the development of deeper PPPs. It is no longer just about CSR. These partnerships should draw in a broad range of stakeholders for strategic longer term actions. Although government prefers a public policy perspective, common priority outcomes such as prosperity and development – and a common agenda such as the Sustainable Development Goals – can provide the foundations for PPPs.

“CSR is not PPP. The essence of real public-private partnership is incentive alignment, value creation and innovative solutions.”

Chrysanthus Herrera



Special Session: The role of Parliamentarians in creating active ageing societies

This session with Parliamentarians from countries across the region was organised by the Asian Forum of Parliamentarians on Population and Development (AFPPD). Hon. Professor Keizo Takemi first presented lessons from Japan. The country expanded facility-based care for senior citizens to meet increasing demand for both health and welfare services. However, this resulted in relatively weak community action, higher costs, loss of workers to look after parents at home, long waiting lists and dissatisfaction among senior citizens. After the Long-Term Care Insurance System was introduced in 2000, the ratio of deaths at senior citizens facilities and nursing homes increased. This trend risked being unsustainable for public finances. Consequently, Japan changed its policy to focus more on in-home services for the elderly, including introducing the Integrated Community Care System in 2014. However, in-home services also placed a burden on the young population. Some had to quit their jobs to take care of the elderly, so there is also a need for a policy that support these families, such as secure, flexible working opportunities. Longer healthy life expectancy is essential to minimise the growth in demand for medical and long-term care by enhancing preventative services, while at the same time higher-quality medical and long-term care must be available when needed.

Hon. Dr. Jetn Sirathranont presented Thailand's pilot project on community-based elderly care, and Chief Whip Hon. Mr. A.S.M. Feroz presented the experience of Bangladesh. One of the main challenges in long-term care (LTC) for the elderly in Thailand is the role of care managers. The family still holds the primary responsibility, but there is increasing demand for care workers. The challenge lies in the recognition of care work as a paid job, beyond volunteering. Additionally, the majority of care workers are nurses, which also creates a burden as they have to work at their paid job and to volunteer. The LTC pilot project supported by the Thai Ministry of Public Health and Japan International Cooperation Agency (JICA) has three components: (1) LTC services model development (research, data collection and analysis), (2) advanced LTC skills (trainings in Japan), and (3) policy recommendations (involving researchers, policymakers, experts).

Session contributors

- Hon. Keizo Takemi, MP, Chair of Asian Forum of Parliamentarians on Population and Development (AFPPD), Japan
- Hon. A.S.M. Feroz, Chief Whip, Parliament of People's Republic of Bangladesh
- Hon. Jetn Sirathranont, MP, Secretary General of Asian Forum for Parliamentarians on Population and Development, Thailand
- Mega Irena, Head of the Poverty Eradication and Gender Equality Division Unit, ASEAN Secretariat
- Eduardo Klien, Regional Director, HelpAge International
- Vanessa Steinmayer, Population Affairs Officer, Social Development Division, UNESCAP



As previously described, the family holds the main responsibility to care for older persons. But as noted by Vanessa Steinmayer of UNESCAP, the question of government support for the family to be able to provide care also needs to be addressed. Examples include tax incentives, flexible working hours, and parents care leave (similar to maternity leave). Care taking responsibilities should apply to both male and female relatives. For example, if the majority of family care-takers are female and flexible working hours are arranged, women will be at a disadvantage in the labour force.

Mega Irena of the ASEAN Secretariat highlighted that one challenge for ASEAN countries is to mainstream the issues of ageing into each country's National Development Plan and to highlight ageing as a cross-cutting issue. Although the pace of population ageing is rapid, many ASEAN countries are not well-resourced, unlike Japan. About 70 per cent of the population lives in rural areas, where the majority are farmers and lack contractual employment. The retirement age is blurry, and only a small proportion are covered by pension systems. In contrast with Japan, in Southeast Asia family support is still strong and a conventional value, but this may change in the next 20 years. A big challenge for ASEAN is that, in addition to strengthening the capacity of family members to provide care for the elderly, there will be rising demand for professionally trained care givers.

“The long-term care solution needs to include both family support which has been traditionally followed but it also requires effective healthcare and social services.”

Hon. Dr. Jetn Sirathranont



Day 2: 7 September 2016

Concluding plenary session



Panel discussion

The moderator began by asking panelists: Where do we go from here and what are the priorities for governments? Later the session was opened to comments and questions from the floor. The discussion was wide ranging, but there were four main strands of remarks: (1) the importance of data and other evidence to influence change, (2) the centrality of fresh approaches to work and retirement, (3) the need for new perspectives on health and long-term care, and (4) channels for moving from rhetoric to action by developing structures, changing mindsets and building movements.

Data and evidence: There was general agreement that we need more evidence and data – disaggregated and of improved quality. There is incredible diversity in later life, and countries of the region are all very different. There is no single policy panacea for the region, so we need to look at the characteristics of each national economy and its systems. Then data can shed light on the policy options and help us to monitor progress. Panellists and participants mentioned various types of evidence needed including specialised surveys on older people; expanded analysis using the National Transfer Accounts, which is a valuable way of looking at inequality and intergenerational transfers of wealth; and measurements of the contributions of work outside the formal sector, such as unpaid work by women and older people's care for grandchildren. HelpAge also needs to lead in improving evaluation of programmes – not simply to continue funding, but to bridge the divide between NGO and academia and sell good ideas to policymakers. Policymakers are not always imaginative, so we need to provide practical demonstrations and tested solutions.

Session contributors:

- John Beard, Director of Department of Ageing and Life Course, World Health Organization, Geneva
- Tengku Aizan Hamid, Founding Director, Malaysia Research Institute on Ageing, University Putra Malaysia
- Sang-Hyop Lee, Professor, Department of Economics & Director, Center for Korean Studies, University of Hawaii, USA
- Srinivas Tata, Chief of Social Policy and Population Section, Social Development Division, United Nations ESCAP (moderator)

However, some participants remarked on the limits of relying on data. One said studies still have not convinced his government of the urgency of responding to ageing in areas such as poverty reduction, health expenditure and pensions. We should also go beyond counting numbers. One panelist observed that almost every presentation on ageing starts by showing how many more older people there will be in the future. Do we only take action because there are a lot of them? Older people have rights, no matter how many there are. Aside from purely economic arguments about engaging older people, we must look at ageing from a rights perspective.

Work and retirement: As the conference sessions highlighted, we clearly need to improve workforce productivity and participation. This is a good idea regardless of ageing, but it probably has even more impact if a country is ageing. We should not only increase labour participation but the productivity of older people. A multigenerational workforce implies more workplace flexibility. If the labour market is not flexible, it forces early retirement. We should therefore consider job sharing, part-time work, flexible retirement and flexible hours. Chronological age, the concept behind a mandatory retirement age, should not be the determinant of age. To support flexible retirement, we should also debunk the myth that older people remaining in the workforce are keeping younger people from job opportunities. If there is a fixed pie, some people have jobs and some people lose jobs. But the solution is to increase the pie and look at demand, not only supply. Growth and equity are both important for policy.

One participant noted that in many countries, despite ageing, there is not really a labour shortage but a skills shortage. This requires different policy approaches. We need to invest in human capital throughout the lifecycle, and not limit our perspective to today's older people. We also need to build in protections for future older people. With trends such as the sharing economy, it was noted that there may be lower tax revenue and fewer benefits for today's young people over their lifecycle.

Health and long-term care: A previous session (H-1) agreed that expenditure on health should be viewed not a cost but an investment. We need to shift from meeting the needs of doctors to meeting the needs of older people. There is genuine interest in this region in tackling this issue. The issue of long-term care has also been talked about much more in the past couple of years than previously. Universal Health Coverage is part of the SDGs. The moderator suggested that if there was one step that could address the needs of older people, especially in low and middle income countries, it would be to institute Universal Health Care including long-term care. UHC does not mean simply universal health insurance; it's also about systems.

From rhetoric to action: According to one participant, we have said for years that we need to "take action", not only on ageing but also on issues such as climate change, but what are the elements of a course of action? Several ideas were offered including changing mindsets, establishing governmental structures and policies, and building wider movements.

Some people highlighted the importance of changing perspectives within government and society. One participant said that people like us know about the changing age structure of the population. But there continue to be important players in governments, NGOs and the UN who do not know even the basic facts of demographic change. This is one reason for slow



development and policy implementation. Several people also highlighted the need to combat ageism among government, businesses and even older people themselves.

Others flagged the importance of government structures and mechanisms. We need to make our governments mainstream ageing into planning, financing and budgets, but the Madrid International Plan of Action on Ageing (MIPAA) is a soft law: there is no accountability for governments to implement it. Many countries don't even have a policy on ageing or a separate agency. The Philippines delegation, for example, noted that their country has a national council on disability, ministries for women and for children and national youth commission, but not a similar function for older people.

Others stressed the importance of a wider movement, because results will only come with proactive collective action. We tend to look at government policies to drive the adaptation of societies, but there is huge component of communities responsibility also. The Intergenerational Self-Help Clubs of Vietnam, for example, are one way to mobilise the power and capacity of communities to transform lives at the local level. One panelist suggested that we need a champion, even one person, to initiate action with a community or country. A general conclusion, expressed by another panelist, was that the future is not set in stone but will be shaped by our policy and behavior changes.

“The future has not been made. It will be made by our policies.”

Sang-Hyop Lee



Closing remarks

In his speech to close the conference, H.E. Deputy Minister Mr Nguyen Trong Dam of MOLISA noted that Vietnam is among the countries with the fastest growing rate of ageing population, yet has limited resources and experience to address the challenges. He noted that on the following day, the delegates would have the opportunity to visit one of Vietnam's responses to ageing: the Intergenerational Self-Help Club (ISHC) model. The Government has decided to replicate this model all over the country, and the Government's commitment has been demonstrated through specific targets in the National Action Plan on Ageing on replicating ISHCs and a scheme to mobilise resources.

“Realising the effectiveness of the Intergenerational Self-Help Club model, the Government of Vietnam has decided to replicate it all over the country.”

H.E. Mr Nguyen Trong Dam

In her closing comments, Astrid Bant, UNFPA Representative in Viet Nam, noted that we need to recognise and accept the inevitability of population ageing. We should not downplay the challenges, but we should also dispel the doom and gloom. We need to understand the diverse contexts in each country through research; view older persons as a genuine benefit to society by addressing discrimination and enabling their employment; and take an intergenerational, flexible and proactive approach to development planning in light of this rapid change.

Finally, closing remarks on behalf of the HelpAge Network were presented by Mathew Cherian, Chief Executive of HelpAge India. He said that we must aim for inclusive and equitable growth and put an end to age discrimination. For many Network members, the familiar pattern of development is to mobilise, organise and agitate. But we also need to understand policies and to join with other actors including Parliamentarians and academics, and this conference has helped us to do that. The time has come to change, and as Mahatma Gandhi said: Be the change that you want to see.



HelpAge International helps older people claim their rights, challenge discrimination and overcome poverty, so that they can lead dignified, secure, active and healthy lives.

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